

For: FSA Offices

Authorization to Issue Milk Income Loss Contract Extension (MILCX) Program Payments

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Notice LD-562 informed State and County Offices that MILCX program payments would not be issued until all of the following had occurred:

- CCC-580X is completed by the producers in the dairy operation and submitted to FSA
- final rule is published in the Federal Register (FR)
- eMILCX application and payment processing software is released nationwide
- authorization to issue payments is provided by DAFP.

Signup for MILCX began on March 13, 2006. Notice LD-565 announcing the MILCX signup instructed County Offices to begin accepting MILCX applications for benefits from producers. On April 7, 2006, eMILCX application and payment processing software was released nationwide to State and County Offices. Program Regulations at 7 CFR Part 1430 were filed for public inspection at the Office of Federal Register (OFR) on April 13, 2006, and will be published in the FR on April 17, 2006.

B Purpose

This notice informs State and County Offices of the following:

- allotment of program funds from National Office to the State Office level through electronic funds control (E-FC)
- program accounting codes applicable to MILCX program
- authority to begin issuing MILCX program payments.

C National Office Contact Information

Direct questions about this notice to Dani Cooke, by either of the following:

- telephone at 202-720-1919
- e-mail at **Danielle.Cooke@wdc.usda.gov**.

Disposal Date	Distribution
December 1, 2006 4-13-06	All FSA Offices; State Offices relay to County Offices

Notice LD-568

2 Issuing MILCX Program Payments

A E-FC Allotments

The National Office has allotted MILCX program funds to the State Office level through the E-FC system. State Offices must re-allocate funds from the State Office level to the County Office level as necessary based on E-FC allotments from previous fiscal years as provided by Notice LD-566. The E-FC code for MILCX is MIL8020.

Note: Notice FI-2748 provides E-FC instructions for National and State Program Managers.

B Accounting Program Codes

Accounting program codes for MILCX are provided in the following table.

Fiscal Year	Program Accounting Code
2006	06MILCII
2007	07MILCII

C Authorization

MILCX program regulations provided at 7 CFR Part 1430 were filed with the OFR on April 13, 2006. As of this date, County Offices are authorized to do the following:

- enter MILCX data in the eMILCX web-enabled application processing system accessible through the Intranet
- issue MILCX payments to producers in dairy operations.

State and County Offices shall refer to Notice PS-546 for application and payment processing instructions.

D Calculating Prompt Payment Interest

Prompt payment provisions are applicable to MILCX program payments. 11-LD, subparagraph 38 A, provides that County Offices have 60 calendar days from the receipt of the required production evidence to issue payment to a dairy operation. However, MILCX signup began before the program became effective on April 13, 2006, when the program regulations were filed for public inspection. Therefore, when updating production for the dairy operation according to Notice PS-546, subparagraph 5 A, County Offices shall enter in the production evidence "date received" data field the latter of either of the following:

- date production evidence is received in the County Office
- effective date of the program, April 13, 2006.